



The President's Daily Brief

~~Top Secret~~ 9 November 1966



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DAILY BRIEF

9 November 1966

1. South Vietnam

Yesterday's debate in the constituent assembly came to a vote this morning. A healthy majority of the delegates (53 of the 66 participating) voted to get down to the business of drafting a constitution, but at the same time to give the government one month to amend two offending articles in the assembly's charter.

If the problem is not satisfactorily resolved in a month, the assembly is to respond by stopping work.

The assembly's first step will probably be to name a small delegation to meet with the government on the issue while the assembly itself gets to work on the constitution. One hopeful sign is that most delegates seem to recognize the need to avoid a head-on clash with the government.

2. Indonesia

The army is alerted for possible moves by pro-Sukarno forces tomorrow--one of Indonesia's major holidays. The president still manages to have considerable emotional appeal, especially in East and Central Java, but any major success by his followers is quite unlikely.

3. Communist China

[redacted] tension continues to build in Peking as the Red Guards step up their attacks on high officials.

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4. Zambia

President Kaunda will shortly seek increased US, Canadian, and West European help to reduce Zambia's continuing economic dependence on Rhodesia. His alternative is the politically unpalatable--if not impossible--one of reaching an accommodation with the Smith regime. The dimensions of Kaunda's dilemma are examined at Annex.

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5. Guinea

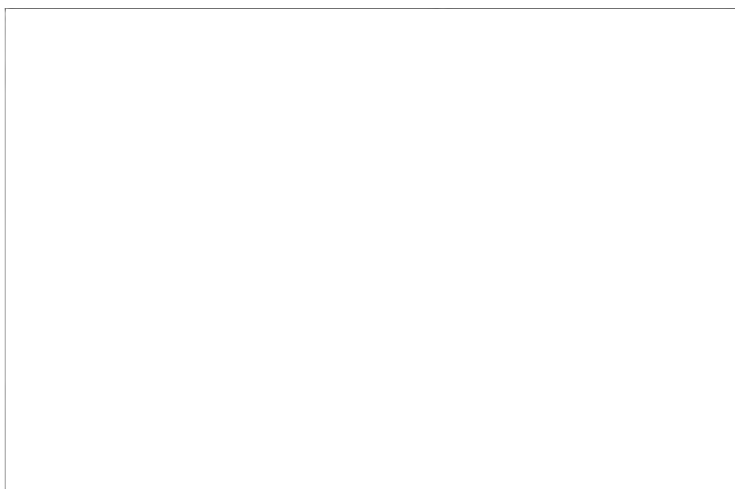
There have been no anti-US incidents following Sekou Touré's blast yesterday afternoon. The Conakry embassy has started rounding up the Peace Corps workers in the interior, but the complicated overland evacuation arrangements have not yet been approved by Touré's government.

There could easily be trouble during the evacuation period.

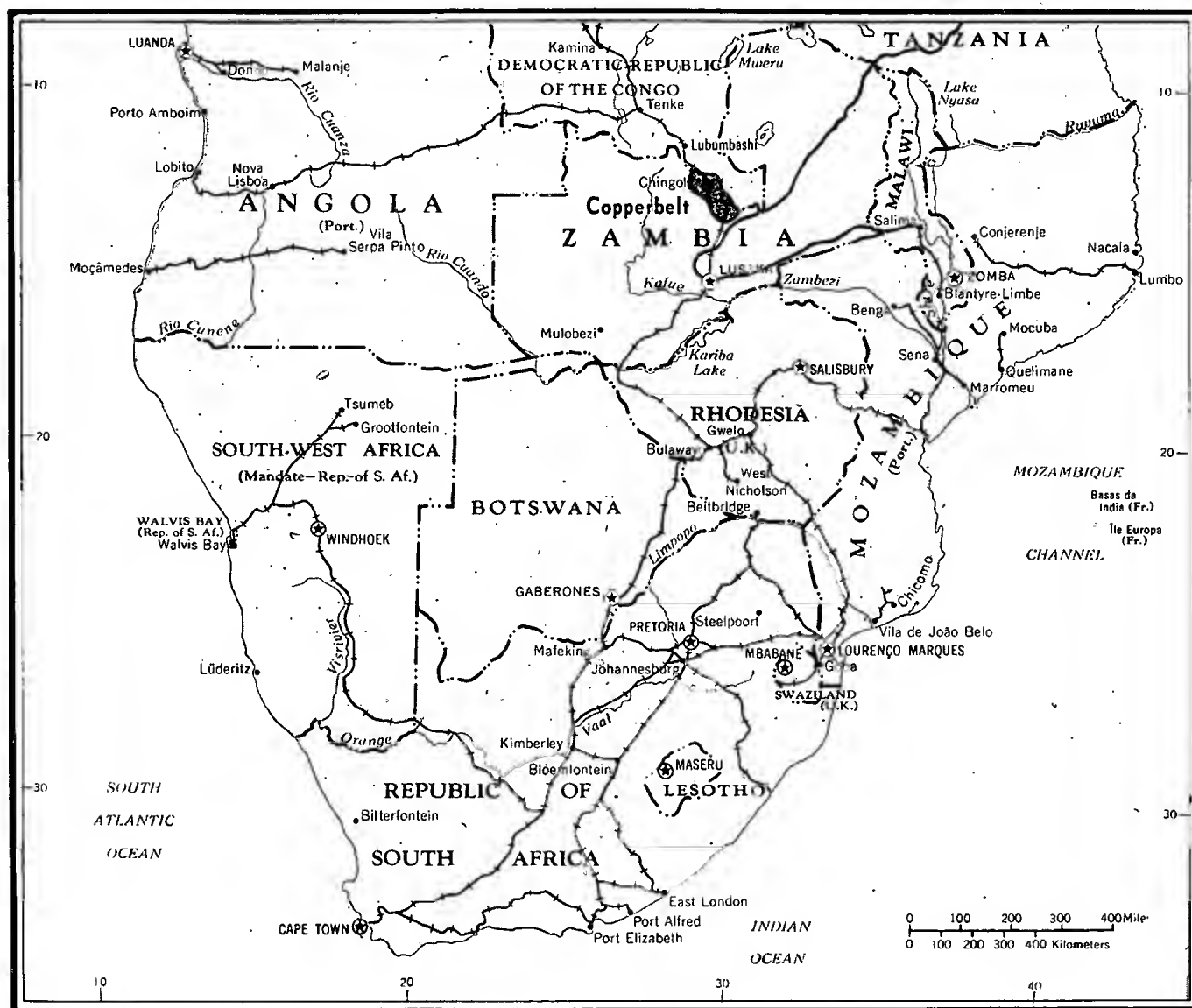
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6. United Nations

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ANNEX

Zambia: A New Call for Help Is Coming

Zambia has pulled through its first year of isolation from Rhodesia with difficulty and only with considerable US, British, and Canadian assistance.. Troubles have now accumulated to a point where they demand immediate solution. The cost will be very much higher than the stop-gap measures of the past year. The only bright spot on the horizon is the current high world price for Zambia's copper.

A prodigious US-British-Canadian oil lift effort began last December after the British embargo on oil to Rhodesia forced the Rhodesian government to stop the customary shipments to Zambia. The idea was that this would buy time for the upgrading of surface routes into Zambia bypassing Rhodesia. Progress on these routes has been disappointing.

Land routes through the Congo, Angola, Tanzania, and Malawi are still inadequate and unreliable. Moreover, most of them will become nearly impassible with the onset of the six-month rainy season.

Despite rather spartan Zambian gasoline rationing, there is constant danger of a gradual exhaustion of oil supplies unless large-scale air shipments are resumed. Because of technical and other problems in the Congo, a resumption of the US oil lift through that country might well double last spring's cost of \$1 per gallon of oil delivered.

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Coal for refining Zambia's copper is another looming problem. Zambia is second only to the US as a Free World producer of refined copper. The industry earns more than 90 percent of Zambia's foreign exchange and, to keep it going, requires well over a million tons of Rhodesian coal per year. Rhodesia has not stopped exporting coal to Zambia, but has placed obstacles on its transport to the copperbelt, where stocks are now dangerously low. Moreover, Rhodesia could cut off the supply entirely with no warning.

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ANNEX (Cont'd)

Zambia has begun to develop its own coal resources. Their extent is still uncertain, however. Even if they prove to be large it is very unlikely that they can fill Zambia's needs before 1970, at the earliest.

Perhaps the most potentially explosive dilemma now faced by Kaunda is the growing tension among the 30,000 white workers who hold almost all the professional and skilled labor positions in the country. They are absolutely essential to the economy, particularly to the copper and railway industries.

These white expatriates are mostly from Rhodesia and South Africa. Most of them have no use whatsoever for Zambian independence and are naturally sympathetic to the racial policies of their homelands. They have stayed on in Zambia only because of high salaries.

But even financial incentives have become less appealing as Kaunda felt himself obliged to bear down on the more extreme of the racists among them. Kaunda has already deported a few white troublemakers and tensions in the expatriate community are high.

The sudden departure of many of the whites, a real possibility if present tensions mushroom into serious violence, would strike an almost irreparable blow at the economy. Even a slow exodus would create difficult problems.

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